



New Britain

EMERGENCY MEDICAL SERVICES, INC.

"Helping People - Saving Lives - Caring for the Community" Since 1977

Public Hearing – Human Services Committee – February 26, 2015

Re: HB 6846-An Act Implementing the Governor's Budget recommendations for Human Services Programs.

Submitted by: Jan Carbonneau, Assistant Chief Executive Officer, New Britain EMS, Inc., 225 Arch Street, New Britain, CT 06050-2018; (860) 770-3179.

Senator Moore, Representative Abercrombie, Vice Chairs, Ranking Members, Committee Members

Problem: New Britain EMS, Inc. (NBEMS) as well as other 911 emergency urban providers are financially challenged by the low Medicaid rates. Eliminating the cross-over funding will severely impact the level of care because the current reimbursement system is far below the cost to provide the service.

Facts:

- NBEMS is a **non-profit agency** that has been in business for 36 years as a **Certified Provider**.
- NBEMS is the designated **911 Primary Service Area Responder (PSAR)** for the City of New Britain.
- In FY 14, NBEMS transported 11,000 emergency calls of which 46% were Medicaid clients. The national average is 13%. We incur a significant disproportionate share of Medicaid Clients, to add to the problem.
- NBEMS is currently receiving \$.44 on every dollar spent.
- Every level of service is reimbursed at \$196.94, plus mileage. Our average reimbursed rate is 204.00. Our direct costs to provide each service are \$442.00.
- NBEMS will incur another 170k loss per year if the crossover funding is eliminated.
- Unlike other healthcare providers (with the exception of the Emergency Department) the ambulance industry has to provide treatment and transport regardless of payment. It is an unfunded mandate.
- Unlike hospitals, the ambulance industry can't bill for every response/service. Because of state regulation/statute, we are precluded from billing for treat/transport, yet the medical assistance fee schedule allows for a payment of 74.80.
- There is no cost methodology/analysis to support the rates.
- The current fee structure is a, "one size fits all". It is the only payer that doesn't reimburse based on level of service. It costs more money to provide advanced life support than basic life support or non-emergency transfers. Our rates, set by DPH are structured on service levels, that parallels the Medicare service levels and so shouldn't the reimbursement.
- It is the only payer that does not recognize the cost of readiness for 911 services.

- **There is no inflation adjustments to parallel the rising costs, which is recognized by other payers and the rate schedule**
- **Number of Medicaid transports is increasing due to access to primary care. The ambulance service has become the default PCP.**

Solution: Evaluate the entire Ambulance Reimbursement Structure based on the aforementioned facts, prior to making any cuts in the crossover funding.